

**Exhibit 16. Summary of Recent Corporate Tax Reform Proposals**

<b>Item</b>	<b>Current Law</b>	<b>President's Framework for <i>Business Tax Reform</i> 2012</b>	<b>House Ways &amp; Means Chairman Camp, Discussion Draft 2011</b>	<b>Simpson-Bowles (President's National Commission on Fiscal Responsibility and Reform) 2010</b>	<b>Domenici-Rivlin (Bipartisan Policy Center ) 2010</b>	<b>Wyden-Coats (S. 727) 2011</b>
<b>Top Statutory Corporate Tax Rate</b>	35%	28%	25%	23%–29% ("illustrative plan" provides 28% rate)	27%	24%
<b>Taxation of Active Foreign- Source Income</b>	Taxed when repatriated (deferral) with credit for foreign income taxes.	Impose a minimum tax on foreign earnings; provide 20% tax credit for expenses of moving operations to the United States; tax currently "excess profits" associated with intangible income earned in low-tax jurisdictions.	Adopt a territorial system that exempts 95% of active foreign earnings; require 5.25% tax on pre-existing unremitted foreign earnings (with a foreign tax credit); adopt anti-abuse rules to address income shifting and protect the U.S. tax base.	Adopt a territorial system.	Repeal inventory property sales source rule.	Repeal deferral and impose per-country foreign tax credit limitation. Repeal inventory property sales source rule. Provide a one-year temporary dividends received deduction for foreign earnings.
<b>Corporate Alternative Minimum Tax</b>	Corporations pay the greater of 20% of alternative minimum taxable income or regular corporate tax.	Not specified.	Not specified.	Repealed.	Repealed.	Repealed.

Item	Current Law	President's Framework for Business Tax Reform 2012	House Ways & Means Chairman Camp, Discussion Draft 2011	Simpson-Bowles (President's National Commission on Fiscal Responsibility and Reform) 2010	Domenici-Rivlin (Bipartisan Policy Center ) 2010	Wyden-Coats (S. 727) 2011
<b>Domestic Production Deduction</b>	Up to 9% deduction of qualified production activities income.	Target and increase deduction to 10.7% (results in 25% tax rate on qualifying manufacturing income); larger deduction for advanced manufacturing.	Not specified.	Repealed.	Repealed.	Repealed.
<b>Research &amp; Development (R&amp;D) and Research &amp; Experimentation (R&amp;E)</b>	R&D costs may be deducted as incurred ("expensed"). A credit is allowed for qualified R&E costs, determined under one of three methods, through 2013.	Make R&E credit permanent and increase credit rate for the alternative simplified credit.	Not specified.	Expensing of R&D costs repealed. R&D costs would be amortized over five years. No R&E credit.	Present-law expensing of R&D costs. No R&E credit.	Present-law expensing of R&D costs. No R&E credit.
<b>Capital Cost Recovery</b>	Modified accelerated cost recovery system; temporary 50% bonus depreciation through 2013; \$500,000 of investment may be 100% expensed in 2013 subject to phaseout.	Reduce acceleration of depreciation allowances; allow small businesses to expense up to \$1 million in investment; eliminate special depreciation rules for corporate aircraft.	Not specified.	Repeal accelerated depreciation. Replace with Alternative Depreciation System (ADS) of present law.	Present law.	Repeal accelerated depreciation. Replace with ADS. Allow expensing for businesses with up to \$1 million of gross receipts.

Item	Current Law	President's Framework for Business Tax Reform 2012	House Ways & Means Chairman Camp, Discussion Draft 2011	Simpson-Bowles (President's National Commission on Fiscal Responsibility and Reform) 2010	Domenici-Rivlin (Bipartisan Policy Center ) 2010	Wyden-Coats (S. 727) 2011
<b>Inventory Methods</b>	Businesses may account for inventories under the last-in, first-out (LIFO) method of accounting and the lower of cost or market (LCM), in addition to other methods.	LIFO inventory method is disallowed. Allow cash accounting for businesses with up to \$10 million in gross receipts.	Not specified.	LIFO inventory method is disallowed with appropriate transition.	Disallow LIFO and LCM inventory methods.	Disallow LCM valuation method. Inventory accounting not required for business with less than \$1 million of gross receipts.
<b>Deduction of Interest Expense</b>	Limited to bona fide debt (sec. 385). Earnings stripping rules apply to interest paid to or guaranteed by related nontaxable person (sec. 163(j)).	Consider reduced deductibility of interest expense; defer deduction for interest expense allocable to foreign investment until related income is taxed in the United States.	A "thin capitalization rule" would disallow a portion of net interest expense of U.S. multinational companies that have excessive domestic interest expense relative to worldwide leverage and adjusted taxable income.	Present law.	Present law.	Inflation component of gross interest expense is not deductible (all interest income remains taxable).
<b>Other General Business Credits</b>	More than 30 tax credits.	Make tax credit for production of renewable electricity permanent and refundable.	Not specified.	Repealed.	Repealed.	Credit for enhanced oil recovery repealed.

Item	Current Law	President's Framework for Business Tax Reform 2012	House Ways & Means Chairman Camp, Discussion Draft 2011	Simpson-Bowles (President's National Commission on Fiscal Responsibility and Reform) 2010	Domenici-Rivlin (Bipartisan Policy Center ) 2010	Wyden-Coats (S. 727) 2011
<b>Other Tax Expenditures</b>	More than 75 tax expenditures.	Eliminate tax expenditures for specific industries, including oil and gas tax preferences, and reform treatment of insurance industry and products.	Not specified.	Repealed.	Repealed.	Repeal selected tax expenditures, including percentage depletion for oil and gas.
<b>Pass-Through Businesses</b>	Income of pass-through businesses is not subject to an entity-level tax; business owners are subject to income tax on their share of pass-through business income.	Consider modifications to establish greater parity between large corporations and large noncorporate businesses. Small businesses would not be affected.	Not specified.	Present law.	Present law.	Present law.